

**INTEGRATED SAFEGUARDS DATASHEET  
APPRAISAL STAGE**

**I. Basic Information**

Date prepared/updated: 04/04/2011

Report No.: AC6138

**1. Basic Project Data**

Original Project ID: P096336	Original Project Name: Second National Water Development Project	
Country: Malawi	Project ID: P124486	
Project Name: Second National Water Development Project - Additional Financing (IDA)		
Task Team Leader: Michael John Webster		
Estimated Appraisal Date: April 4, 2011	Estimated Board Date: May 26, 2011	
Managing Unit: AFTUW	Lending Instrument: Specific Investment Loan	
Sector: General water, sanitation and flood protection sector (100%)		
Theme: Access to urban services and housing (70%);Rural services and infrastructure (30%)		
IBRD Amount (US\$m.):	0.00	
IDA Amount (US\$m.):	120.00	
GEF Amount (US\$m.):	0.00	
PCF Amount (US\$m.):	0.00	
Other financing amounts by source:		
<u>BORROWER/RECIPIENT</u>		<u>0.00</u>
		<u>0.00</u>
Environmental Category: B - Partial Assessment		
Repeater <input type="checkbox"/>		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

**2. Project Objectives**

The Project Development Objective is to increase access to sustainable water supply and sanitation services in target areas and improve water resources management at the national level.

**3. Project Description**

The components to be supported under the proposed Additional Financing are as follows:

# Component A: Urban, Towns and Market Center Water Supply. Investments and technical assistance in urban, towns and Market Center water supply implemented by the Water Boards;

# Component B: Sanitation and Hygiene. Investments and technical assistance in urban and rural sanitation and hygiene promotion implemented by the Ministry of Irrigation and Water Development and the Water Boards;

# Component C: Water Resources Management. Technical assistance to enhance capacity and prepare future investments in water resources management implemented by the Ministry of Irrigation and Water Development;

# Component D: Sector Reforms and Program Management. Support for sector reforms, capacity enhancement and program management implemented by the Ministry of Irrigation and Water Development; and

# Component E: Rural Water Supply. Investments and technical assistance in rural water supply implemented by the Ministry of Irrigation and Water Development.

#### **4. Project Location and salient physical characteristics relevant to the safeguard analysis**

Project will be implemented in cities, towns, market centers and rural villages throughout Malawi.

#### **5. Environmental and Social Safeguards Specialists**

Mr George Campos Ledec (AFTEN)

Ms Kristine Schwebach (AFTCS)

<b>6. Safeguard Policies Triggered</b>	<b>Yes</b>	<b>No</b>
<b>Environmental Assessment (OP/BP 4.01)</b>	<b>X</b>	
<b>Natural Habitats (OP/BP 4.04)</b>		<b>X</b>
<b>Forests (OP/BP 4.36)</b>		<b>X</b>
<b>Pest Management (OP 4.09)</b>		<b>X</b>
<b>Physical Cultural Resources (OP/BP 4.11)</b>		<b>X</b>
<b>Indigenous Peoples (OP/BP 4.10)</b>		<b>X</b>
<b>Involuntary Resettlement (OP/BP 4.12)</b>	<b>X</b>	
<b>Safety of Dams (OP/BP 4.37)</b>		<b>X</b>
<b>Projects on International Waterways (OP/BP 7.50)</b>	<b>X</b>	
<b>Projects in Disputed Areas (OP/BP 7.60)</b>		<b>X</b>

## **II. Key Safeguard Policy Issues and Their Management**

### ***A. Summary of Key Safeguard Issues***

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts: Most of the civil works to be supported under the Additional Financing (AF) would have rather low and highly localized environmental impacts that would be most evident during the construction phase of each sub-project; examples include very small-scale land clearing; management of construction-related wastes; control of soil erosion and run-off from construction sites; noise; dust; local traffic disruption; and occupational health and safety. Typical civil works would include water wells (bore-holes), intake structures, pumping stations, water pipelines, water treatment plants, storage tanks, water provision kiosks, latrines, and ancillary facilities such as small office buildings, short access roads, and parking lots. The AF-supported civil works with potentially more significant environmental impacts--though still Category B--would be the (i) Lilongwe Water Conveyance System and (ii) Mzimba Water Supply Scheme. Both of these sub-projects

would involve the installation of low weirs and intake structures within relatively small rivers, along with pipelines to transport the abstracted water to treatment facilities. The AF includes funding for Environmental Impact Assessments (including social impacts) for both sub-projects, which would be completed in parallel with the final engineering designs and publicly disclosed in advance of civil works bidding.

Many of the AF-supported sub-projects would involve small-scale land acquisition and displacement of agricultural crops; some would also require the resettlement of small numbers of people, to be addressed in a Resettlement Action Plan (RAP) for each relevant sub-project. The costs of replacement land or housing, as well as cash compensation (where applicable), are incorporated within the budget for each relevant civil works sub-project. The cumulative number of households that will need to be either (i) compensated for lost land, crops, or other assets and/or (ii) physically relocated for all AF-supported civil works sub-projects is quite low; it will be estimated during appraisal.

In addition to financing civil works, the AF would support pre-investment studies of several larger-scale water resources development projects with potentially more significant environmental and social impacts. These studies comprise the detailed engineering designs and independent Environmental (including social) Impact Assessments for: (i) Mombezi Dam, a proposed new water source for the city of Blantyre; (ii) Diamphwe Dam, a proposed new water source for the city of Lilongwe; and (iii) Lambilambi Dam, a proposed new water source for the city of Mzuzu. The AF does not include financing for the civil works to build these new dams.

The additional financing intends to assist with the completion of current works, increase the current access to water and sanitation, and improve management of water resources which mimic the original project. As there are no major changes in possible project activities, the current RPF would be used as a guideline for water improvement activities. Capacity building workshops have provided training to a large number of water board staff throughout Malawi such that the implementing agency is well aware of the RPF, the importance of screening for impacts during project planning, and processes which need to be followed in preparation of a Resettlement Action Plan if it is determined that activities will require land acquisition or cause impact on assets.

International Waterways: The World Bank's policy for Projects on International Waterways (OP/BP 7.50) requires that riparians on international waterways be notified of proposed project activities that will be carried out on a shared waterway. For the parent project, the Bank, on behalf of Malawi, carried out the riparian notifications to all riparian countries of the Zambezi River (Mozambique, Tanzania, Angola, Botswana, Namibia, Zambia, and Zimbabwe) prior to Board Approval (letters were sent in December 2006). No unfavorable responses were received from any of the riparians based on international waterways issues.

The original notification informed riparians of the proposed project to improve water supply services and improve water resources management throughout Malawi. The notification listed the cities/towns of Blantyre, Lilongwe, Mzuzu, Kasungu, Zomba and

Mangochi and other towns and rural communities to be selected during project implementation. Based on the calculations in the notification, the letter asserted that the consumptive use resulting from the project as a proportion of the river flows of the Shire and Zambezi Rivers is too small to measure and will not cause any appreciable harm to any riparian. The notification focuses on the planned works needed to improve water services, but implicit in this is the need for design work for source development to be able to expand such services.

Investments under the proposed Additional Financing will largely be in the same towns, and often for the same works as in the parent project (due to cost overruns). In addition, the new investments proposed to be financed will all fit within the same description provided in the parent project notification letter. Three new towns are being added (Songwe, Salima, Nsanje) and up to 2 new villages. All settlements are located in catchments that are tributaries to Lake Malawi and the Lower Shire River which joins the Zambezi River below the Cabora Bassa Dam, and are thus covered by the original notification. While the investment amount is significantly increased (from US\$ 50 million to US\$120 million), and the number of beneficiaries will significantly increase (from 1 million to 2.2 million), the impact on the resulting abstraction on the river flows of the Shire and Zambezi will remain too small to measure and will not cause any appreciable harm to any riparian. Therefore, further notification is not required as it is already covered under the original notification.

The Bank staff has considered those aspects of the Project that might have an effect on the downstream riparians and are satisfied that the Project will not cause appreciable harm to the other riparians and will not be appreciably harmed by the other riparians' possible water use.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

Due to their relatively small physical footprint and general proximity to urban or otherwise densely-populated areas, the AF-supported civil works are not expected to generate significant adverse impacts of an indirect or long-term nature.

In the case of the AF-supported pre-investment studies, the terms of reference for each Environmental Impact Assessment will specify the need to assess induced or indirect and long-term impacts, in addition to the other kinds of environmental and social impacts.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

For the larger-scale sub-projects, including the Lilongwe Water Conveyance System, the feasibility studies compared alternative options with respect to basic project design (including the no-action alternative), site selection (such as location of the water intake and pumps), type of structure (pipeline vs. canal), and materials to be used.

For the pre-investment studies of proposed larger-scale future water development projects, the terms of reference for each Environmental Impact Assessment will specify

the need for an analysis of alternatives, consistent with the requirements of: (i) the project's Environmental and Social Management Framework (ESMF), (ii) the Bank's Environmental Assessment Policy (OP 4. 01); and (iii) the Malawi Government's Guidelines for Environmental Impact Assessment.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described. Since implementation of the parent NWDP II Project began in 2008, the Borrower's capacity to manage the environmental and social aspects of the project has improved substantially. Project- supported training during 2010 on applying the World Bank's environmental and social Safeguard Policies has reached a critical mass of project staff, within the Ministry of Irrigation and Water Development as well as each of the Water Boards (Northern Region, Central Region, Southern Region, Blantyre, and Lilongwe). As a result of this training, project staff understand better: (i) the environmental and social requirements of the World Bank, as well as the Malawi Government; (ii) the Environmental and Social Management Framework (ESMF) that specifies the safeguards-related criteria and procedures that the project must follow; (iii) the use of Environmental and Social Screening Forms (ESSFs) as the first step in assessing the nature and extent of environmental and social analysis and follow-up management measures that will be needed for each sub-project; and (iv) the preparation of Resettlement Action Plans (RAPs) for those sub-projects that involve some degree of land acquisition, loss of crops or other assets, or physical resettlement of people. Additional environmental and social safeguards-related training is planned under the AF, particularly for District-level staff.

Under the original NWDP II Project, Environmental and Social Screening Forms (ESSFs) were completed for subprojects involving civil works. Based on this ESSF screening process, small-scale Resettlement Action Plans were deemed necessary for several subprojects. Because of their low environmental sensitivity (based on the ESSF findings), none of the sub-projects already implemented under the original NWDP II Project was found to require its own Environmental Management Plan (EMP). However, all civil works contractors were expected to comply with the Environmental Guidelines for Contractors, as specified in Annex 6 of the NWDP II Project's Environmental and Social Management Framework (ESMF).

For all AF-supported sub-projects involving new civil works, an expanded land area footprint, and/or increased water abstraction, ESSFs have been filled out, providing a good indication of what types of environmental and social follow-up measures are needed in each case. Depending on the complexity of the investment from an environmental or social stand point, follow-up documentation can include a RAP, Project Brief (sometimes required under Malawian law), Environmental Management Plan, or (for the special above-mentioned cases) an Environmental Impact Assessment (EIA, including the social aspects). For eligible AF-supported sub-projects, all of these required follow-up documents will be completed and publicly disclosed before the start of civil works bidding.

The main safeguards documents that govern the implementation of the parent project as well as the proposed AF are the Environmental and Social Management Framework (ESMF) and Resettlement Policy Framework (RPF). The ESMF and RPF for the original NWDP II Project were prepared, consulted upon, and disclosed in March 2007; they are still applicable and relevant to this Additional Financing. However, based on feedback received from the Safeguard Policies training that took place in 2010, the ESMF has been slightly modified, so that (i) the Environmental and Social Screening Form (ESSF) is easier to use and (ii) the Environmental Guidelines for Contractors include Chance Finds Procedures for physical cultural resources (archaeological relics, fossils, human remains, etc.) that might be discovered during construction activities. The updated ESMF was publicly disclosed, in the World Bank's InfoShop in Washington as well as locally within Malawi, on March 31, 2011.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people. The main stakeholders include the Regional Water Boards, Blantyre and Lilongwe Water Boards, District Executive Committee Members in the targeted cities, towns and districts; Water User Associations, Local Operators, Ministry of Irrigation and Water Development, Ministry of Energy, Mines and Natural Resources/Environmental Affairs Department; and villagers. The ESMF was prepared during field visits in consultation with officials from the Water Boards, Town and District Assemblies, members of fishermen associations, villagers, land officers, and potentially affected persons. They viewed the project as very beneficial to their quality of life. Their suggestions have been reflected in the ESMF. The ESMF makes provisions for stakeholder consultations as part of the environmental and social screening process for sub-projects.

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***B. Disclosure Requirements Date***

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**Environmental Assessment/Audit/Management Plan/Other:**

Was the document disclosed <b>prior to appraisal?</b>	Yes
Date of receipt by the Bank	03/28/2011
Date of "in-country" disclosure	04/01/2011
Date of submission to InfoShop	03/31/2011
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	

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**Resettlement Action Plan/Framework/Policy Process:**

Was the document disclosed <b>prior to appraisal?</b>	Yes
Date of receipt by the Bank	03/02/2007
Date of "in-country" disclosure	11/28/2007
Date of submission to InfoShop	04/01/2011

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**Indigenous Peoples Plan/Planning Framework:**

Was the document disclosed <b>prior to appraisal?</b>	
Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	

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**Pest Management Plan:**

Was the document disclosed **prior to appraisal?**

Date of receipt by the Bank

Date of "in-country" disclosure

Date of submission to InfoShop

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**\* If the project triggers the Pest Management and/or Physical Cultural Resources, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.**

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**If in-country disclosure of any of the above documents is not expected, please explain why:**

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*C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)*

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**OP/BP/GP 4.01 - Environment Assessment**

Does the project require a stand-alone EA (including EMP) report? Yes

If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report? Yes

Are the cost and the accountabilities for the EMP incorporated in the credit/loan? Yes

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**OP/BP 4.12 - Involuntary Resettlement**

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared? Yes

If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan? Yes

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**OP 7.50 - Projects on International Waterways**

Have the other riparians been notified of the project? Yes

If the project falls under one of the exceptions to the notification requirement, has this been cleared with the Legal Department, and the memo to the RVP prepared and sent? N/A

Has the RVP approved such an exception? N/A

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**The World Bank Policy on Disclosure of Information**

Have relevant safeguard policies documents been sent to the World Bank's Infoshop? Yes

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs? Yes

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**All Safeguard Policies**

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies? Yes

Have costs related to safeguard policy measures been included in the project cost? Yes

Does the Monitoring and Evaluation system of the project include the Yes

monitoring of safeguard impacts and measures related to safeguard policies?  
Have satisfactory implementation arrangements been agreed with the  
borrower and the same been adequately reflected in the project legal  
documents? Yes

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***D. Approvals***

<b><i>Signed and submitted by:</i></b>	<b><i>Name</i></b>	<b><i>Date</i></b>
Task Team Leader:	Mr Michael John Webster	04/01/2011
Environmental Specialist:	Mr George Campos Ledec	04/01/2011
Social Development Specialist	Ms Kristine Schwebach	04/01/2011
Additional Environmental and/or Social Development Specialist(s):		
<b><i>Approved by:</i></b>		
Sector Manager:	Mr Junaid Kamal Ahmad	04/01/2011
Comments:		